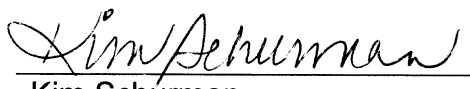


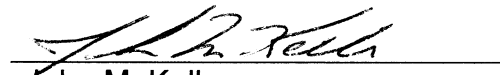
**CERTIFICATION
OF
NEW JERSEY TURNPIKE AUTHORITY**

I, John M. Keller, hereby certify that I am the Executive Director of the New Jersey Turnpike Authority and as such, certify that the attached copy of PROCEEDINGS OF THE NEW JERSEY TURNPIKE AUTHORITY is a true and correct copy of the Minutes of the February 25, 2020 Meeting of the Authority.

IN WITNESS THEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Turnpike Authority **this 25th day of February 2020.**

ATTEST:


Kim Schurman
Secretary to the Authority


John M. Keller
Executive Director

Corporate Seal

Date: February 25th, 2020

**Received in the Governor's Office February 26th, 2020
(hand delivered)**

Received by:

Julian Connor
Print Name

Julian Connor
Signature

Veto Period Ends:

March 11, 2020
(Write in the date the veto period ends)

PROCEEDINGS OF MEETING OF NEW JERSEY TURNPIKE AUTHORITY

BOARD OF COMMISSIONERS

Tuesday, February 25, 2020

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Chair Diane Gutierrez-Scaccetti called the meeting of the Authority's Board of Commissioners (the Board) into session in the Executive Boardroom of the Authority's Headquarters Building at 1 Turnpike Plaza in Woodbridge, New Jersey, at 11:00 A.M.

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PLEDGE OF ALLEGIANCE

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PRESENT

Present were Chair Diane Gutierrez-Scaccetti, Vice Chair Ulises Diaz, Treasurer Michael DuPont, Commissioner Raymond Pocino (Absent), Commissioner Ronald Gravino (by phone at 11:09 a.m.), Commissioner John Minella and Commissioner Raphael Salerno. The meeting commenced at 11:00 A.M.

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ALSO PRESENT

Executive Director John Keller, Deputy Executive Director James Carone, Chief Financial Officer Donna Manuelli; Deputy Chief Engineer Larry Williams, Chief Information Officer Jose Dios; Director of Law Robert Carroll; Director of Human Resources Mary-Elizabeth Garrity; Deputy Director of Internal Audit Tracey Walters, Director of Maintenance Ken McGoldrick, Director of Operations Kevin Dunn; Procurement and Materials Management Director Dale Barnfield, Director of Tolls John Pagliarulo; Director of Community and Government Relations Shawn Taylor; New Jersey State Police Major Terrence Carroll, State Police Troop D; and Secretary to the Authority Kim Schurman.

Also present were: Outside Counsel, Judy Verrone, Esq., of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Governors' Authorities Unit Representative Edmund Caulfield, additional individuals consisting of other NJTA employees; interested organizations; the general public and New Jersey Advanced Media was present.

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NOTICE OF MEETING

This is a regular meeting of the New Jersey Turnpike Authority. Adequate notice of this meeting has been provided in accordance with Chapter 231, P.L. 1975 in that notice has been given to at least two newspapers and notice has been forwarded to the Secretary of State, Trenton, New Jersey. In addition, notice of said meeting has been and is being displayed in the main lobby of the Authority's Administration Headquarters in Woodbridge.

Secretary to the Authority Schurman takes Roll Call and the Following Were Present:

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1. Chair Gutierrez-Scaccetti
2. Vice Chair Diaz
3. Treasurer DuPont
4. Commissioner Pocino (Absent)
5. Commissioner Gravino (by phone at 11:09 a.m.)
6. Commissioner Minella
7. Commissioner Salerno

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EXECUTIVE SESSION

A motion to enter into Executive Session, not open to the public in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-12(b), to discuss matters pertaining to:

- Collective Bargaining Agreements
- Pending Litigation
- Personnel
- Contract Negotiations

The motion was made by Vice Chair Diaz and seconded by Treasurer DuPont and, after the voice vote, the motion was duly adopted by the Board of Commissioners of the New Jersey Turnpike Authority.

Executive Session was adjourned 11:19 a.m. Chair Gutierrez-Scaccetti resumed the public portion of the meeting at 11:24 a.m.

Secretary to the Authority Schurman takes Roll Call and the Following Were Present:

1. Chair Gutierrez-Scaccetti
2. Vice Chair Diaz
3. Treasurer DuPont
4. Commissioner Pocino (Absent)
5. Commissioner Gravino (by phone at 11:09 a.m.)
6. Commissioner Minella
7. Commissioner Salerno

The Secretary to the Authority reported that ten days, excluding Saturdays, Sundays and holidays, have elapsed since Governor Philip D. Murphy received the proceedings of the regular meeting of January 28, 2020; he did not exercise his power to veto any items in those minutes.

Upon motion made by Treasurer DuPont seconded by Commissioner Salerno the minutes of the meeting was unanimously approved.

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RECUSALS

The Secretary to the Authority reported recusals or abstentions submitted for the record:

- Commissioner Pocino is recused on Items 040 through 048 (Comm. Pocino absent)

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CHAIR COMMENTS

Chair Gutierrez-Scaccetti advised the board and the public there were 3 Additions to the Agenda this month and they are (1) Recommendation and Request for Authorization to enter into Recommendation and Request for Authorization to enter into a First Amendment to the 2014 License Agreement with Tesla, Inc., (2) HMS Host and Sunoco - Authorization for Executive Director to Enter into a Memorandum of Understanding for Reimbursement associated with the Service Area Rehabilitation Program – Phase 2, and (3) Resolution Authorizing Public Hearings Pursuant to N.J.S.A. 27:23-5.10 and 5.11 in connection with a proposed Capital Program and Supporting Revenue Enhancement on the New Jersey Turnpike and Garden State Parkway.

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PUBLIC COMMENT

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George Lobman, UTCA

Mr. Lobman representing the Utility and Transportation Contractors Association (UTCA) advised he came this morning as a unified group of contractors and is fully in support of the efforts made by the Turnpike Authority for the enhancement program. Lobman said that once again, the Turnpike Authority will be the savior of the industry, and said he appreciates the effort Commissioner Gutierrez-Scaccetti and the Governor have gone through for this.

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Joe Fiordaliso, ACEC NJ President

Mr. Fiordaliso came to speak in support of the Board Action on the agenda this morning supporting the Capital Program and Supporting Revenue Enhancement. Fiordaliso said the Authority deserves an enormous amount of credit for taking this action this morning and addressing the need to fully fund the rebuilding of roads and bridges and keeping them in good working order. Fiordaliso further commented the Governor also deserves credit for his leadership on infrastructure issues and his commitment to making sure New Jersey's transportation network receives the proper level of investment. Fiordaliso said the Turnpike Authority has a proven track record of investing revenue wisely to repair maintain and improve the roads, bridges and facilities on the Turnpike and Parkway. Fiordaliso said as everyone knows, the Turnpike Authority is nearing the end of its capital program and needs a long-term funding solution in place to continue to make needed investments. Fiordaliso continued to say New Jersey's Transportation system is the lifeblood of our economy and its equally critical to the safety health and quality of life of our 9 million residents, therefore that makes the action today, that I hope you will take that much more important. Fiordaliso said ACECNJ looks forward to an open and transparent public hearing process and hopefully the enactment of a robust Capital Program.

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EXECUTIVE DIRECTOR COMMENTS

Executive Director Keller expressed sincere appreciation for two wonderful initiatives that embrace the spirit of the Authority's "Going the Extra Mile" program. Keller acknowledged the first is Cifelli's Prom Dress Drive, formerly known as Cinderella's Closet, has been revitalized thanks to Nicole Smith, Jen Schumacher and Jenn Caves of the Turnpike Authority and Meg Frampton of the Department of Transportation. Keller reported a total of approximately 200 dresses will be donated to underprivileged young ladies in nearby communities, so they may attend their proms as well as create of lifetime of memories. Keller said he is honored that John Cifelli's wife Joanne, mother Terry and brother Nick joined us here today. Further, Keller recognized Kevin Burke for Chairing the Seaside Polar Plunge supporting the Special Olympics of New Jersey. Keller added this year the event raised \$2.5 million and over its 27-year history, \$26 million has been donated to Special Olympics NJ. Keller thanked Kevin Burke for "Going the Extra Mile".

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HUMAN RESOURCES

Director of Human Resources Mary-Elizabeth Garrity requested approval of item number 038-02-2020. Moved is the item as follows:

038-02-2020

Human Resources Director Mary Elizabeth Garrity submitted the Personnel Agenda, dated February 25, 2020, and requested confirmation of the personnel matters contained therein. The Executive Director certified the recommendations for consideration.

On motion by Vice Chair Diaz and seconded by Treasurer DuPont employment of those named to serve at the pleasure of the Authority and other recommended personnel actions, were approved, ratified and confirmed, to become effective as of the dates specified and at the salaries listed.

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ROLL CALL

GUTIERREZ-SCACCETTI	DIAZ	DuPONT	POCINO	GRAVINO	MINELLA	SALERMO
YES	YES	YES	Absent	YES	YES	YES

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LAW

Director of Law, Robert Carroll, requested approval of item numbers 039-02-2020. Moved is the item as follows:

039-02-2020

In a memorandum dated February 12, 2020, Authorization to renew Excess Liability Insurance and Public Officials and Employment Practices Liability Insurance for one additional year, Excess Liability Insurance - Self-Insured General Liability and Automobile Liability Insurance Program, (March 15, 2020 to March 15, 2021), Public Officials and Employment Practices Liability Insurance, (March 15, 2020 to March 15, 2021), R-155933, Budget Code: 10-893-441010, Amount: not to exceed \$1,667,873.00, was approved.

The Authority maintains Excess Liability insurance and Public Officials and Employment Practices Liability insurance policies, both of which will expire on March 15, 2020. WillisTowersWatson (“Willis”), the broker of record for these lines of insurance, sought renewal quotations for both coverages. The quotations were reviewed by staff and with the Authority’s insurance and risk management consultant, Hanover Stone Partners, LLP (“Hanover Stone”). Following discussion and analysis, it is recommended that each of the insurance coverages be renewed as follows:

(1) Excess Liability Insurance – (Self-Insured General Liability and Automobile Liability Insurance Program) (March 15, 2020 to March 15, 2021)

The Authority maintains \$100 million of Excess Liability Insurance above its \$2 million self-insured retention (“SIR”) for General Liability claims and its \$5 million SIR for Automobile Liability claims. At the pre-renewal meeting in late 2019, Willis advised of a difficult renewal market, due to a number of external factors, and indicated that significant premium increases could be expected. Willis marketed the program to eighteen (18) underwriters, requesting renewal quotations for coverage with the same terms and conditions as the current program. Willis recommends renewal of the program with the following insurers at the following premium amounts, which includes all applicable state taxes and surcharges:

<u>Underwriter</u>	<u>Limit</u>	<u>Premium</u>
Lexington Insurance Company (AIG)	\$10 Million excess SIR	\$ 545,100
AXA/XL Insurance Company	\$15 Million excess \$10 Million	\$ 362,160
Navigators Insurance Company	\$25 Million excess \$25 Million	\$ 230,374
Allied World Assurance Company (AWAC) (60%)	\$25 Million excess \$50 Million	\$ 67,060
and Great American Insurance Company (40%)	(shared limit)	\$ 44,264
Zurich-American Guarantee &Liability Ins. Co.	\$25 Million excess \$75 Million	<u>\$ 58,423</u>
Total:		\$1,307,381

The above total premium reflects a significant increase from the current premium, primarily in the upper layers, due to a particularly difficult excess market. The increase in the various layers varied from a 13% increase in the primary layer, to a 121% increase in one of the higher layers. Due to the significant increase in premium from the prior year, Willis was directed

to continue negotiations with the various carriers to further reduce the quoted premiums for each layer of insurance to the extent possible. It is recommended that the Authority renew the Excess Liability Program with the underwriters above, in the amounts not to exceed those set forth above, for a total aggregate premium, including New Jersey Property Liability Insurance Guaranty Association ("PLIGA") and New Jersey Excess & Surplus lines taxes in a total amount not to exceed \$1,307,381.

Public Officials and Employment Practices Liability Insurance

(March 15, 2020 to March 15, 2021)

The Authority maintains Public Officials and Employment Practices Liability Insurance with National Union Fire Insurance Company of Pittsburgh, PA ("AIG") with a limit of \$20 million, along with an excess policy with Ironshore Indemnity Inc. ("Ironshore") that provides an additional \$10 million aggregate and limit, both of which will expire on March 15, 2020.

Willis approached a number of underwriters for renewal quotations for coverage upon the same terms and conditions as the current policies. The most favorable proposal for both price and terms, was provided by AIG, which included some coverage extensions not otherwise available from other underwriters. With respect to the primary layer, AIG quoted a renewal premium of \$277,099, which is an increase of 6.2% from the current premium, and which would result in a mandatory PLIGA surcharge not to exceed \$1,662 resulting in a total premium amount of \$278,761. With respect to the excess layer, Ironshore's quote was the most favorable of all the excess quotations, with a renewal premium of \$81,243, also an increase of 6.2% from the current premium, plus the mandatory PLIGA surcharge of \$488, for a total excess premium of \$81,731. Willis was directed to continue negotiations with AIG and Ironshore to further reduce the quoted premium. It is recommended that the Authority renew the Public Officials and Employment Practices Liability insurance with the underwriters and in the amounts set forth above, for a total aggregate premium, including PLIGA, not to exceed \$360,492, an increase of approximately 6.2% from the current policy premium.

It is therefore requested that the Commissioners authorize the Executive Director to renew the insurance policies and coverages as outlined above. It is further requested that the Commissioners authorize the Executive Director to take all such actions and to execute all such documents, after review by Hanover Stone, and with the recommendation of the Law Department, to effectuate the authority set forth above.

On motion by Treasurer DuPont and seconded by Vice Chair Diaz the Board unanimously approved item number 039-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GUTIERREZ-SCACCETTI	DIAZ	DuPONT	POCINO	GRAVINO	MINELLA	SALERMO
YES	YES	YES	Absent	YES	YES	YES

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ENGINEERING

Deputy Chief Engineer, Larry Williams, requested approval of item numbers 040-02-2020 through 045-02-2020. Moved are the items as follows:

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PUBLIC BID-AWARD OF CONTRACTS

040-02-2020

In a document dated February 5, 2020, Recommendation to Award Contract No. T200.542, New Jersey Turnpike, Joseph DeFino Trucking Co., Inc. dba DeFino Contracting Company, Turnpike Berm Surfacing Revisions, Milepost 48 to 83, R-155242, Budget Code: 39200017, Amount: \$6,422,000.00, was approved.

This contract will provide for the partial removal and replacement of existing stone berm surfacing at select locations immediately adjacent to the existing shoulder pavement between Milepost 48 and 83 of the Turnpike roadways in Burlington, Mercer and Middlesex Counties, New Jersey. The stone berm surfacing that is removed will be replaced with 3 inches of asphalt berm surfacing at the same line and grade between the existing edge of shoulder and the existing guide rail post. All work is expected to be completed in the fall of 2020.

Six bid proposals were received on January 22, 2020 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal in the amount of \$6,422,000.00 may be compared to the second low bidder in the amount of \$6,830,000.00. The bids were significantly lower than the other four bid proposals and the Engineer’s Estimate in the amount of \$11,372,000.00 due to their proposed means and methods for maintenance and protection of traffic and the performance of the stone removal and asphalt placement activities. The low bidder, Joseph DeFino Trucking Co., Inc. dba DeFino Contracting Company has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. T200.542 be awarded to the low bidder, Joseph DeFino Trucking Co., Inc. dba DeFino Contracting Company of Cliffwood Beach, New Jersey in the amount of \$6,422,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine

2006).

The General Consultant, HNTB Corporation, concurs with this recommendation.

041-02-2020

In a document dated February 7, 2020, **Recommendation to Award Contract No. P200.544, Garden State Parkway, C.J. Hesse, Inc., Roadway Resurfacing, Milepost 0 to 126 (2020), R-155245, Budget Code: 030C20005E, Amount: \$25,494,191.25**, was approved.

This contract will provide for the resurfacing of asphalt surface course pavement along the Northbound and Southbound Parkway mainline roadways, ramps, shoulders, maintenance U-turns, toll plazas including other incidental improvements at various locations between Milepost 0 and 126 on the Garden State Parkway in Cape May, Atlantic, Burlington, Ocean, Monmouth and Middlesex Counties, New Jersey. All work is expected to be completed in 2020.

Three bid proposals were received on February 5, 2020 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal, in the amount of \$25,494,191.25, may be compared to the Engineer's Estimate in the amount of \$29,524,300.00. The low bid was lower than the Engineer's Estimate due to the bidder's proximity to the project, their ability to self-produce asphalt mixes and increased available hours of work associated with the southern part of the Garden State Parkway. The low bidder, C. J. Hesse, Inc. has performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. P200.544 be awarded to the low bidder, C. J. Hesse, Inc. of Atlantic Highlands, New Jersey in the amount of \$25,494,191.25. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids for this work were procured, and the authorization being sought is to award this contract to the lowest responsible bidder, in accordance with N.J.S.A. 27:23-6.1, N.J.A.C. 19:9-2.2, and Executive Order No. 37 (Corzine 2006).

The General Consultant, HNTB Corporation, concurs with this recommendation.

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ORDER FOR PROFESSIONAL SERVICES

042-02-2020

In a document dated February 3, 2020, **Recommendation to Issue Order for Professional Services No. T3769, New Jersey Turnpike, Dewberry Engineers Inc., Supervision of Construction Services for Contract No. T200.542, Turnpike Berm Surfacing Revisions, Milepost 48 to 83, R-155246, Budget Code: 39200017, Amount: \$1,050,000.00**, was approved.

This Order for Professional Services will provide supervision of construction services for Contract No. T200.542, Turnpike Berm Surfacing Revisions, Milepost 48 to 83. These services will include construction inspection, material testing, record keeping, preparation of payment estimates and other services required to ensure compliance with the contract documents.

This assignment is classified as a "Simple Project" based on the scope of work being clearly defined and not likely to change during the course of the project, and the cost not exceeding \$2,000,000.00. The solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and fifty (50) engineering firms were prequalified and eligible under Profile Code: B-153, Roadway Construction Inspection. Nine firms submitted EOIs by the closing date of January 3, 2020.

Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from the top three technically ranked firms. The firms in the order of ranking are: 1) Dewberry Engineers Inc.; 2) IH Engineers, P.C.; and 3) KS Engineers, P.C. The fee submitted by Dewberry Engineers Inc. has been reviewed, negotiated and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. T3769 be issued to the firm of Dewberry Engineers Inc. of Bloomfield, New Jersey, in an amount not to exceed \$1,050,000.00. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.35 to cover the cost of fringe benefits, overhead and profit, plus authorized direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

043-02-2020

In a document dated February 3, 2020, **Recommendation to Issue Order for Professional Services No. A3784, New Jersey Turnpike and Garden State Parkway, Johnson, Mirmiran & Thompson, Inc., Supervision of Construction Services for Contract Nos.: P200.544, Roadway Resurfacing, Milepost 0 to 126 (2020), R-155250, Budget Code: 030C20005E, Funding Allocation: \$1,705,000.00, FY 2020, \$500,000.00 FY 2021, Amount: \$2,205,000.00, and T200.548, Roadway Resurfacing, Milepost 83 to 122, Sections 14 and 17 (2020), Budget Code: 030C10002E, Funding Allocation: \$1,500,000.00 FY 2020, \$500,000.00 FY 2021, Amount: \$2,000,000.00, Total Amount: \$4,205,000.00**, was approved.

This Order for Professional Services will provide supervision of construction services for

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Contract Nos. P200.544, Roadway Resurfacing, Milepost 0 to 126 (2020) and T200.548, Roadway Resurfacing, Milepost 83 to 122, Sections 14 and 17 (2020). These services will include construction inspection, material testing, record keeping, preparation of payment estimates and other services required to ensure compliance with the contract documents.

This assignment is classified as a "Complex Project" since the scope of work is not clearly defined and likely to change during the course of the project, and the cost exceeds \$2,000,000.00. The Solicitation for Expressions of Interest (EOIs) was posted on the Authority's website and forty-six (46) engineering firms were prequalified and eligible under Profile Codes: B-153, Roadway Construction Inspection and B-154, Roadway Resurfacing Inspection. Two firms submitted EOIs by the closing date of December 4, 2019.

Based on language provided in the Authority's Regulation N.J.A.C. 19:9-2.8 which states: "For all projects, if fewer than three EOIs are deemed complete, the EOI solicitation may be rewritten and/or re-solicited, or the procurement may continue with fewer than three firms, as determined by the Executive Director, in consultation with the Director." Authorization was granted to continue with the evaluation of the two EOIs received. Subsequent to the scoring of EOIs by the Review Committee, Fee Proposals were requested from these two firms. The firms in the order of ranking are: 1) Johnson, Mirmiran & Thompson, Inc. and 2) Greenman-Pedersen, Inc. The fee submitted by Johnson, Mirmiran & Thompson, Inc. has been reviewed and is considered to be fair and reasonable for the services to be provided.

It is, therefore, recommended that Order for Professional Services No. A3784 be issued to the firm of Johnson, Mirmiran & Thompson, Inc. of Trenton, New Jersey, in an amount not to exceed \$4,205,000.00 which is allocated as follows: \$1,705,000.00 for FY 2020 and \$500,000.00 for FY 2021 for Fund No. 030C20005E and \$1,500,000.00 for FY 2020 and \$500,000.00 for FY 2021 for Fund No. 030C10002E. This amount includes reimbursement of direct salaries times a maximum multiplier of 2.50 to cover the cost of fringe benefits, overhead and profit, plus authorized direct non-salary expenses. The award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. These professional services were procured, and the recommended firm was selected, in accordance with N.J.S.A. 52:34-9.1, et seq., N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.8, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

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FINAL ACCEPTANCES

044-02-2020

In a document dated February 6, 2020, All work performed on the construction contract listed below has been completed in accordance with the contract documents and to the satisfaction of the Engineering Department. Accordingly, it is recommended that this contract be deemed complete and approved for Final Acceptance. The table below includes pertinent Change Order and financial information including the final payment amount due the Contractor upon Final Acceptance, was approved.

Contract No.	Contractor	Award Total Amount	No. of Change Orders	Additions/ Reductions	Final Total Contract Amount	Final Payment Amount
T300.475	J. Fletcher Creamer & Son, Inc.	\$1,983,333.00	1	(\$128,874.58)	\$1,854,458.42	\$64,522.91
Total						\$64,522.91

The Certification and Recommendation for Final Acceptance has been executed by the Engineers, the General Consultant and the Chief Engineer. All required contract documents including the Engineer's Final Certifications, Maintenance Bonds, Affidavit of Prevailing Wage and the Final Payment certificates have been submitted to the Law Department and approved as to correctness of form. Furthermore, the Contractor has certified that there are no liens outstanding against the Contractor. Accordingly, it is recommended that the contract listed above be accepted and final payment in the amount shown above be made to the Contractor.

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ACKNOWLEDGE REPORTS OF
ENGINEERING EXPENDITURES UNDER DELEGATED AUTHORITY

045-02-2020

The Board acknowledges the reports of Engineering Expenditures Under Delegated Authority as indicated below:

- Construction Contract Progress Summary
- Change Order Summary
- Utility Order

On motion by Treasurer DuPont and seconded by Vice Chair Diaz the Board unanimously approved item nos.040-02-2020 through 044-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 045-02-2020 and received same for file.

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ROLL CALL

GUTIERREZ- SCACCETTI	DIAZ	DuPONT	POCINO	GRAVINO	MINELLA	SALERMO
YES	YES	YES	Absent	YES	YES	YES

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MAINTENANCE

Director of Maintenance Kenneth McGoldrick requested approval of item numbers 046-02-2020 through 048-02-2020. Moved are the items as follows:

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PUBLIC BID-AWARD OF CONTRACTS

046-02-2020

In document dated February 7, 2020, Recommendation to Award Contract No. A200.553, New Jersey Turnpike and Garden State Parkway, Daidone Electric, Inc., Immediate and Scheduled Electrical Repairs on the New Jersey Turnpike from MP 0 to MP 122 and on the Garden State Parkway from MP 0 to MP 172, RM-155202, Budget Code: Various, Amount: \$6,000,000.00, was approved.

This contract consists of furnishing the required labor, equipment and materials necessary to provide immediate and scheduled repairs of the electrical equipment within the Authority right-of-way on the New Jersey Turnpike from MP 0 to MP 122 along the New Jersey Turnpike, and on the Garden State Parkway from Milepost 0 to Milepost 172.

Two (2) bid proposals were received on February 4, 2020 for the above publicly advertised contract, as shown on the attached bid summary sheet. The lowest bid proposal, submitted by Daidone Electric Inc., in the weighted Average Cost of 10.63%, meets all the terms and conditions. The low bid of 10.63% is approximately 21.7% lower than the Engineer's Estimate of 13.58%. Daidone Electric Inc has previously performed work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A200.553 be awarded to the lowest bidder, Daidone Electric Inc. of Newark, New Jersey, in an amount not to exceed \$6,000,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134 – McGreevey 2004) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

The General Consultant, HNTB Corporation, concurs with this recommendation.

047-02-2020

In document dated February 7, 2020, Recommendation to Award Contract No. A500.530, New Jersey Turnpike and Garden State Parkway, Joseph M. Sanzari, Inc., Immediate and Scheduled Repair of Facilities on the New Jersey Turnpike MP 0 to MP 122 and on the Garden State Parkway Milepost 0 to MP 172, RM-154839, Budget Code: 040C17027, Amount: \$6,000,000.00, was approved.

The work performed under this contract consists of immediate repairs & scheduled improvements to all Authority owned facilities, including but not limited to, Toll Plazas, Maintenance Districts, Service Areas and Administration Buildings and all other related work between Milepost 0 to 122 along the New Jersey Turnpike and Milepost 0 to 172 along the Garden State Parkway. The immediate repairs will be as directed by the Engineer by work orders for a period of two (2) years with two (2), one (1) year options to renew at a cost not to exceed \$6,000,000.00.

Three (3) bid proposals were received on January 14, 2020 for the above publicly advertised contract, as shown on the attached bid summary sheet. The low bid proposal of 3.58% may be compared to the second low bid proposal of 8.92% and the Engineers' Estimate of 9.92%. These percentages represent a weighted average mark-up on the Contractor's time and materials cost of performing the work. Although the winning percentage is significantly lower than the Engineers' Estimate, a thorough review of the low bid with the low bidder was conducted, Joseph M. Sanzari, Inc. has previously performed similar work for the Authority and is considered competent to complete this contract.

It is, therefore, recommended that Contract No. A500.530 be awarded to the lowest bidder, Joseph M. Sanzari, Inc. of Hackensack, New Jersey, in an amount not to exceed \$6,000,000.00. This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee, pursuant to Public Law 2005, Chapter 51 (formerly Executive Order 134) and Executive Order 117 (Corzine 2008), and having no objection to same. Bids were procured and authorization is being sought to award this contract in accordance with N.J.S.A. 27:23-6.1 of the Authority's enabling legislation, N.J.A.C. 19:9-2.2, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006).

Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

The General Consultant, HNTB Corporation, concurs with this recommendation.

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ACKNOWLEDGE REPORTS OF
MAINTENANCE EXPENDITURES UNDER DELEGATED AUTHORITY

048-02-2020

The Board acknowledges the reports of Maintenance Expenditures Under Delegated Authority as indicated below:

- Construction Contract Progress Report
- Change Order Summary

On motion by Vice Chair Diaz and seconded by Treasurer DuPont the Board unanimously approved item nos. 046-02-2020 through 047-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda. The Authority unanimously accepted the reports contained in item number 048-02-2020 and received same for file.

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ROLL CALL

GUTIERREZ-SCACCETTI	DIAZ	DuPONT	POCINO	GRAVINO	MINELLA	SALERMO
YES	YES	YES	Absent	YES	YES	YES

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PROCUREMENT AND MATERIALS MANAGEMENT (“PMM”)

Director of Procurement and Materials Management Dale Barnfield, requested approval of item numbers 049-02-2020 through 056-02-2020. Moved is the items as follows:

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PUBLIC BIDS

049-02-2020

In a document dated February 18, 2020, Henderson Snow Plow Parts, Henderson Products, Inc., RM-154888 (Inventory), Budget Code: Various, Amount: \$ 229,951.50, was approved.

Under this contract, Henderson Products, Inc. will provide snow plow parts for the Authority's Henderson plows. These replacement parts are stocked in inventory and used on both Roadways. Bidders were required to bid unit and total prices for 48 plow parts, as well as a discount off manufacturer's list for miscellaneous parts not listed in the bid. The bid was fully advertised and 9 vendors listed in the Authority's database for these products were notified of the procurement. On January 28, 2020, a sole bid was received. (Unit prices are available from the PMM Department):

<u>Vendor</u>	<u>Total Bid Price</u>
Henderson Products, Inc., Kenvil, NJ	\$ 229,951.50

Departmental Estimate: \$240,000.00

Bids were procured, and authorization is being sought to award this contract in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive

Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to Henderson Products, Inc. for snow plow parts for a total amount not to exceed \$229,951.50, subject to funding availability at the time of ordering. Authorization is further requested for the Executive Director to approve each of the two, one-year extensions upon satisfactory performance by the vendor.

050-02-2020

In a document dated February 18, 2020, At prior Board of Commissioners Meetings, the Authority awarded contracts to the vendors listed herein for the referenced equipment. The contracts included a 3-year option to purchase additional equipment which conforms to the original specifications for two additional model years. For the final two years of the options, the vendors were permitted to request price increases from the Authority if there had been an overall price increase of the equipment in the later model years, provided that the vendors justified the price increases in writing to the Authority. The Maintenance and Procurement Departments have reviewed the following option exercises and have determined that any requested price increases are reasonable, was approved.

Original Award Meeting Date and Item No.	Desc.	Vendor Name	Requisition/ Budget Code	Quantity/ Unit Price		Total Amount	% Model Year Incr.
February 25, 2019	Full Size SUVs	Mall Chevrolet. Cherry Hill, NJ	R-155355 (Maintenance) 010 00 500 480060	6	\$29,500.00	\$177,000.00	2.2%
May 21, 2019 144-05-2019	4-Wheel Drive Tractors with Wing Mowers	Cherry Valley Tractor Sales. Marlton, NJ	R-155353 (Maintenance) 049 00 500 156555 040C00024	2	\$67,360.00	\$134,720.00	2.7%
April 24, 2018 096-04-2018	Remote Control Mowers with Attachments	Garden State Bobcat, Inc. Freehold, NJ	R-155380 (Maintenance) 049 00 500 156555 040C00024	2	\$99,590.00	\$199,180.00	1.0%
July 30, 2018	Hook Lift Anti-Ice Systems	Trius, Inc. Farmingdale, NJ	R-155432 (Maintenance) 010 00 500 480060	3	\$36,466.00	\$109,398.00	5.2%
March 26, 2019 085-03-2019	Low Body Utility Vehicles	Route 23 Automall, LLC Butler, NJ	R-155366 (Maintenance) 049 00 500 156555 040C07021U	3	\$63,633.10	\$190,899.30	7.8%
April 23, 2019 115-04-2019	Stake Body Trucks	Mid-Atlantic Truck Centre, Inc. Linden, NJ	R-155374 (Maintenance) 049 00 500 156555 040C07021	2	\$139,959.00	\$279,918.00	7.1%
June 25, 2019 163-06-2019	Catch Basin/ Sewer Cleaning Vehicle	W.E. Timmerman Co., Inc. Whitehouse, NJ	R-155370 (Maintenance) 049 00 500 156555 040C07021	1	\$491,000.00	\$491,000.00	0.5%
February 26, 2019 066-02-2019	Broom Street Sweeper	W.E. Timmerman Co., Inc. Whitehouse, NJ	R-155368 (Maintenance) 049 00 500 156555 040C07021	1	\$308,000.00	\$308,000.00	3.4%

These contracts were originally bid and awarded in accordance with N.J.S.A. 27:23-6.1 of

the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). The contracts are in compliance with Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008).

Accordingly, authorization is requested to exercise the contract options of each of these contracts in order to purchase the stated equipment not to exceed the stated total amounts for each contract.

051-02-2020

In a document dated February 18, 2020, **Direct Purchase of Turnpike Revenue Bonds, Series 2020 A, JP Morgan Chase Bank, NA, RM-153909 (Finance), Budget Code: Various, Amount: \$989,000.00**, was approved.

Authorization is requested to award a contract to J.P. Morgan Chase, NA, Princeton, NJ to issue \$33,875,000 worth of Turnpike Revenue Bonds, Series 2020 A ("2020 A Bonds"). At the January 31, 2020 Commission Meeting (Agenda No. 035-01-2020) the Board authorized the adoption of the Series 2020 Turnpike Revenue Bond Resolution ("Resolution") and authorized the Executive Director to execute all documents necessary to finalize transactions contemplated in the Resolution. Among several options, the Resolution authorized the Authority to refund the bonds through a direct purchase of fixed rate or variable rate bonds. Subsequently, the Authority publicly bid the purchase rate for issuing the 2020 A Bonds. Bidders were required to bid either a fixed interest rate and/or the percentage of LIBOR (financial index valued on the bid date) plus the margin basis points ("bp") until the stated maturity on January 1, 2024. In addition, bidders were required to bid not-to-exceed legal fees and expenses to be paid by the Authority. The bid was fully advertised and the 12 commercial bankers listed in the Authority's database were notified of the procurement. On February 6, 2020, seven (7) bids were received as follows:

Firm	Fixed Interest Rate		% LIBOR and Margin		Legal Fees And Exp. ("Not to Exceed")	*Total Purchase Expense
	Fixed Rate	Formula for Fixed Rate	% of LIBOR	Margin/Basis Points		
JP Morgan Chase Bank, NA Princeton, NJ	1.51%		80%	30 BPS	\$30,000.00	\$989,000
Bank of America, N.A. New York, NY	1.50%		80%	40 BPS	\$50,000.00	1,068,000
PNC Bank, N.A. Philadelphia, PA	1.42%		79%	43 BPS	\$45,000.00	1,071,000
TD Bank, N.A. Cherry Hill, NJ		1.46%	81.5%	44 BPS	\$20,000.00	1,076,000
US Bank, NA New York, NY	1.60%		80%	57 BPS	\$35,000.00	1,153,000
RBC Capital Markets, LLC New York, NY	N/A		100%	35 BPS	\$35,000.00	1,219,000
Wells Fargo Bank, N.A. Toms River, NJ	1.455%		n/a		\$35,000.00	n/a

*Legal fees plus total interest cost (Libor as 2/7/2020)

The \$33,875,000 Series 2020A Bonds will refund the \$33,875,000 Series 2015B Bonds. The Series 2015B Bonds are variable interest rate bonds having a mandatory tender date of April 1, 2020. If the Series 2015B Bonds are not refunded on that date, the interest rate on the bonds

will increase, resulting in additional costs for the Authority. The Authority's financial advisor and staff reviewed the bids received, and determined that the lowest cost alternative was the variable interest rate refunding option. While fixed interest rates are low, a fixed rate refunding would require the Authority to make an interest rate swap termination payment of more than \$1,200,000, and the refunding would result in dis-savings even before considering closing costs. In contrast, the variable interest rate option results in savings before considering closing costs. As part of the bond refunding, the Authority will amend the terms of its existing interest rate swap agreement on the bonds (which is 75% of LIBOR) so that the variable interest rate received on the bonds will match the interest rate to be paid on the bonds (which will be 80% of LIBOR).

Bids were procured, and authorization is being sought to award this contract in accordance with *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 19:9-2.2*, promulgated pursuant thereto, and Executive Order No. 37 (Corzine 2006). This award is contingent upon the Treasurer of the State of New Jersey completing the review of all documents submitted by the selected awardee pursuant to Public Law 2005, Chapter 51 and Executive Order No. 117 (Corzine 2008), and having no objection to same.

Accordingly, authorization is requested to award a contract to purchase the Series 2020A Bonds to JP Morgan Chase Bank, NA in an estimated amount of \$989,000.00 which includes legal fees and expenses of \$30,000.00 subject to funding availability at the time of closing.

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STATE/GOVERNMENT CONTRACTS

052-02-2020

In a document dated February 18, 2020, **Trailer-Mounted Generator (150 KW), SBP Industries, Inc., R-155317 (Maintenance), Budget Code: 049 00 500 156555 040C07021G, State Contract No. 40272, expiring 11/30/20, Amount: \$123,407.00**, was approved.

Under this contract, SBP Industries, Inc. will provide one (1) 150KW diesel-powered, trailer-mounted generator with accessories. This mobile, stand-by generator will be used by the Maintenance Department to provide supplemental electrical service to any of the Authority's Toll Plazas and Service Areas in the event of a power outage. The trailer-mounted generator is available from NJ State Contract No. 40272, expiring 11/30/2020.

This procurement, under State Contract No. 40272, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract under State Contract No. 40272 for (1) 150KW trailer-mounted generator with accessories to SBP Industries, Inc. for a total

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amount not to exceed \$123,407.00.

053-02-2020

In a document dated February 18, 2020, **Trailer-Mounted Brine Application Units, Trius, Inc., R-155148 (Maintenance), Budget Code: 010 00 500 480060, State Contract No. 85439, expiring 7/30/2020, Amount: \$169,940.00 (\$42,485.00 each)**, was approved.

Under this contract Trius, Inc. will provide four (4) 2600-gallon trailer-mounted brine application units used to pre-treat the Authority's roadways prior to winter weather events. The pre-treatment reduces the accumulation of snow and ice, thus improving the Authority's snow removal operations. The brine application units are available from NJ State Contract No. 85439 expiring 07/30/2020.

This procurement, under State Contract No. 85439, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, authorization is requested to award a contract under State Contract No. 85439 for (4) trailer-mounted brine application units to Trius, Inc. for a total amount not to exceed \$169,940.00.

054-02-2020

In a document dated February 18, 2020, **Bridge Inspection Software, SHI International Corp., R-155776 (ITS), Budget Code: 010 00 830 121020, State Contract No. 89851, expiring 6/30/2020, Amount: \$281,337.00**, was approved.

Under this contract, Bentley Systems through SHI International Corp., will provide annual license renewal and enhanced support for the InspectTech Bridge Inspection Software. The support includes service subscription and data transfer service to periodically populate NJDOT's Combined Inspection System (ComblS) with data from the Authority. These licenses and support are available from NJ State Contract No. 89851, expiring 06/30/2020.

This procurement, under State Contract No. 89851, is in accordance with *N.J.A.C. 19:9-2.5(a)*, promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey. Furthermore, the State Contract provides access to several software providers and, therefore, requires agencies to seek multiple quotes to ensure the most competitive pricing. Quotes were solicited from five (5) authorized dealers, and one (1) quote was received as follows:

<u>Vendor</u>	<u>Total Price</u>
SHI International Corp., Somerset, NJ	\$281,337.00

Accordingly, authorization is requested to award a contract to SHI International Corp. in a total amount not to exceed \$281,337.00.

055-02-2020

In a document dated February 18, 2020, C-Cure Security System Maintenance and Support, Johnson Controls Security Solutions, LLC, RM-155898 (IA), Budget Code: Various, U.S. General Services Administration (GSA) Schedule 84, GSA Contract No. GS-07F-225CA expiring 9/3/2020, Amount: \$424,499.17, was approved.

Under this contract, Johnson Controls Security Solutions, LLC ("Johnson Controls") will provide annual maintenance and support to the C-Cure and Commend systems which are the Authority's system-wide access control and alarm management and intercom systems. Johnson Controls will provide annual inspections of control panels, lock supplies, and battery status at all Authority locations. This contract is critical to the safety and security of the Authority's employees and facilities, including maintenance districts and toll plazas. The annual maintenance and support for the C-Cure and Commend systems are available from GSA Contract No. GS-07F-225CA expiring 9/3/2020.

This procurement, under the General Services Administration ("GSA")/Federal IT Schedule 84, Contract No. GS-07F-225CA, is in accordance with *N.J.A.C. 19:9-2.5(a)* promulgated pursuant to *N.J.S.A. 27:23-1 et seq.*, the Authority's enabling legislation, *N.J.A.C. 17:12-1A.5*, promulgated pursuant to *N.J.S.A. 52:34-6.3* and Executive Order No. 37 (Corzine 2006) which permit the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the federal government.

Accordingly, authorization is requested to award a contract under GSA Contract No. GS-07F-225CA to provide annual maintenance and support for the C-Cure and Commend systems to Johnson Controls Security Solutions, LLC. The annual cost for the maintenance and support is the amount not to exceed \$374,499.19. Furthermore, additional funds are requested for out of scope work, parts and repairs in an amount not to exceed \$50,000.00 for a total authorized amount not to exceed \$424,499.17, subject to funding availability at the time of service.

056-02-2020

In a document dated February 18, 2020, State Contract Modifications, At prior Board of Commissioners meetings, the Authority approved purchases (up to a maximum authorized dollar amount) from the vendors listed herein under the New Jersey State contracts referenced below. The terms of the referenced State contracts have since been

extended and additional funds are needed to purchase these necessary goods and/or services through the extended terms of the State contracts, was approved.

Description /Original Agenda Item	Vendor Name	Req. Number	NJTA Contract No.	NJ State Contract No. Expiration	Current Authorized Amount	New Authorized Amount	Requested Increase Amount
(T-2188) Parts and Repairs for Road Maint. Equipment Awarded 04/14/2014	Norcia Corp.	RM-155239 (Maint.)	979	85854 Expires 01/29/21	\$480,000.00	\$580,000.00	\$100,000.00
(T-1067) Electrical Equipment and Supplies 018-01-2014	Jewel Electric Supply Co., Inc.	RM-155129 (Maint.)	962	19-FOOD-00608 Expires 10/31/20	\$3,770,000.00	\$4,270,000.00	\$500,000.00
(T-1067) Electrical Equipment and Supplies 018-01-2014	Keer Electrical Supply Co., Inc.	RM-155129 (Maint.)	961	85583 Expires 10/31/20	\$725,000.00	\$740,000.00	\$ 15,000.00
(T-1067) Electrical Equipment and Supplies 018-01-2014	Pemberton Electrical Supply Co., Inc.	RM-155129 (Maint.)	963	85579 Expires 10/31/20	\$180,000.00	\$200,000.00	\$ 20,000.00
Total							\$635,000.00

The original procurement, under the State contract, was in accordance with *N.J.A.C.* 19:9-2.5(a), promulgated pursuant to *N.J.S.A.* 27:23-1 et seq., the Authority’s enabling legislation, and Executive Order No. 37 (Corzine 2006) which permits the Authority, without advertising, to purchase goods and services directly from vendors who hold contracts with the State of New Jersey.

Accordingly, given that the period of time during which the Authority may make additional purchases under the referenced State Contract was extended through the new expiration date of this contract, approval is hereby requested to increase the Authority’s current authorized amount to the new authorized amount stated above, subject to funding availability at the time of order.

On motion by Vice Chair Diaz and seconded by Treasurer DuPont the Board unanimously approved item numbers 049-02-2020 through 056-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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ROLL CALL

GUTIERREZ-SCACCETTI	DIAZ	DuPONT	POCINO	GRAVINO	MINELLA	SALERMO
YES	YES	YES	Absent	YES	YES	YES

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GENERAL BUSINESS

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OPERATIONS

Director of Operations Kevin Dunn requested acceptance of item number 057-02-2020.

Moved is the item as follows:

057-02-2020

Director of Operations Kevin Dunn requested acceptance of **Volumes and Crash Synopses for the Garden State Parkway and New Jersey Turnpike: Period 01/01/2020 through 01/31/2020; with 2019-2020 Yearly Comparisons through January 2020.**

On motion by Treasurer DuPont and seconded by Vice Chair Diaz the Board unanimously accepted item number 057-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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STATE POLICE

Major Terence Carroll requested acceptance of item number 058-02-2020. Moved is the item as follows:

058-02-2020

Major Terence Carroll requested acceptance of the **New Jersey State Police Troop D Activity Reports**, for January 2020, with 2019 – 2020 Yearly Comparisons.

On motion by Vice Chair Diaz and seconded by Treasurer DuPont the Authority unanimously accepted the reports contained in item number 058-02-2020 and received same for file.

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FINANCE

Chief Financial Officer Donna Manuelli requested acceptance of item number 059-02-2020. Moved is the item as follows:

059-02-2020

Chief Financial Officer Donna Manuelli presented the **Financial Summary for the One (1) month ended January 31, 2020**, was accepted.

On motion by Treasurer DuPont and seconded by Vice Chair Diaz the Board unanimously accepted item number 059-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the memoranda.

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EXECUTIVE

Executive Director John Keller requested approval of item numbers 060-02-2020 through 062-02-2020. Moved are the items as follows:

060-02-2020

In a document dated February 25, 2020, Recommendation and Request for Authorization to enter into a First Amendment to the 2014 License Agreement with Tesla, Inc., was approved.

The New Jersey Turnpike Authority (“Authority”) owns Service Areas on its property along the New Jersey Turnpike (“Turnpike”) and Garden State Parkway (“Parkway”). The Authority has remained ever mindful of the need for State agencies and Authorities to develop sensible environmental objectives and projects, especially in the areas of transportation and patron services on our State roadways. In 2014, the Authority identified the nascent Electric Vehicle industry (“EV”) as a potential benefit to the State’s environmental concerns and, thereafter, embarked upon a Pilot Program with the EV industry leader, Tesla company. Under the Program, Tesla was granted a license in 2014 (the “License Agreement”) for a limited number of Tesla vehicle recharging stalls on the Molly Pitcher and Joyce Kilmer Service Areas, each outfitted with four (4) charging stalls (total of eight). This Pilot Program was the first step in evaluating potential EV usage and its impact on Authority operations while also providing much needed recharging venues for our intra and interstate travelers using our toll roads. This Program was deemed successful and, in 2018, Tesla entered into negotiations with the Authority to provide expanded services to other Authority Service Areas, especially in light of the expanding EV usage by New Jersey patrons and interstate travelers.

This memorandum summarizes the successful outcome of those extended negotiations and identifies the Authority’s expansion plan to provide proprietary Tesla supercharging stalls at six (6) additional Service Areas on the Turnpike. The new installation locations are:

- (i) Clara Barton
- (ii) John Fenwick
- (iii) Woodrow Wilson
- (iv) Richard Stockton
- (v) Walt Whitman
- (vi) James Fenimore Cooper

This expansion requires an amendment to the 2014 License Agreement in the scope of services provided, mandates enhanced compensation to the Authority and modifies the original 7-year term, extending the License Agreement to 2025 with one two-year extension to 2027 if mutually agreed upon. Except for those terms amended by the recently negotiated First

Amendment to the 2014 License Agreement that is the subject of this memorandum, all other terms of the License Agreement remain in full force and effect. The terms in the First Amendment to the 2014 License Agreement supersede and rescind any terms in that Agreement that are inconsistent or conflict with the terms and provisions set forth in the First Amendment. All such amended terms are incorporated in the 2014 License Agreement by reference and, upon execution by the parties, are made a part thereof.

In regard to the expanded services, Tesla has agreed to provide up to eight (8) Tesla supercharger stalls at each of the six (6) new Service Areas. Additionally, Tesla will add four (4) additional supercharger stalls at each of the Molly Pitcher and Joyce Kilmer Service Areas, increasing to a total of sixteen (16) stalls at those two (2) locations. With those additional eight (8) stalls, as well as eight (8) stalls at each of the new installation locations referenced above, the total number of Tesla charging stalls to be installed on the Turnpike under the First Amendment will be sixty-four (64), with all units intended to be the newest version of Tesla's proprietary V3 supercharger technology. The Authority has carefully evaluated placement of the charging stalls and the individual locations have been mutually agreed upon.

Importantly, Tesla has also agreed to incur all design, construction, utility acquisition, equipment installation and continuing equipment maintenance costs for the four (4) additional Tesla chargers at each of its two (2) existing locations, Molly Pitcher and Joyce Kilmer Service Areas, as well as the installation and maintenance costs relating to the eight (8) new charging stalls at each of the six (6) new installation locations identified above. In addition, Tesla has agreed to provide utility services infrastructure to serve a minimum of four (4) additional non-Tesla charging stations at each of the six (6) new locations. (Tesla has previously installed necessary infrastructure to enable non-Tesla charging stations at each of the Molly Pitcher and Joyce Kilmer Service Areas). In exchange for Tesla's investment in installation costs and providing utility services infrastructure to enable installation of non-Tesla chargers by third-party providers, the Authority has agreed to provide a limited credit to Tesla against its per stall monthly fee, discussed below, subject to a maximum amount. The Authority will bear no new construction, equipment or utility costs relating to Tesla's installations.

Tesla has agreed to provide a monthly fee for each charging stall at the six (6) new locations, as the stalls become operational. Additionally, Tesla will be upgrading its eight (8) original charging stalls at the Molly Pitcher and Joyce Kilmer Services Areas to the new supercharging technology. Notably, these original two (2) sites will also be subject to the new per stall monthly fee after March of 2022 when the original lump sum payment is due pursuant to the 2014 License Agreement and which remains payable to the Authority under the First Amendment.

Lastly, there is one additional relevant development that is germane to the subject of this Agenda item. The New Jersey Legislature has just passed a major new bill that was signed by Governor Murphy in January of 2020, that is, P.L. 2019 c. 362, which mandates the installation of

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electric vehicle charging stations on the State's toll and other roadways. As well, the new legislation provides aggressive EV and environmental goals and objectives, together with new incentives for the acquisition of EV vehicles. The First Amendment to the 2014 License Agreement demonstrates the Authority's timely and positive efforts at supporting the State's EV and environmental objectives established by the Administration and the Legislature, and the Authority and DOT's commitment thereto.

Authorization is respectfully requested to delegate to the Executive Director the authority to enter into the First Amendment to the 2014 License Agreement with Tesla Inc. based on the terms outlined above. It is further recommended that the Commissioners authorize the Executive Director to execute any other documents and take any or all actions deemed necessary to effectuate the intent of this authorization.

061-02-2020

In a document dated February 24, 2020, **HMS Host and Sunoco - Authorization for Executive Director to Enter into a Memorandum of Understanding for Reimbursement associated with the Service Area Rehabilitation Program – Phase 2**, was approved.

On September 12, 2017, the Authority entered into an agreement with HMS Host to reconstruct eight service area buildings and remodel seven service area buildings on the New Jersey Turnpike (Turnpike) & Garden State Parkway (Parkway). A similar agreement was executed with Sunoco to reconstruct fuel facilities at 21 services areas including environmental remediation on the Turnpike and Parkway. Phase 2 improvements include the Vince Lombardi and Richard Stockton Service Areas on the Turnpike and the Forked River Service Area on the Parkway. Under the 2017 HMS Host Agreement, the Authority is responsible for work outside the curb line, while HMS Host is responsible for work within the curb line along the perimeter of the buildings. The current Sunoco Agreement provides that Sunoco is responsible for work that includes the fuel islands and fuel storage tanks. The Authority is responsible for soil remediation at the Turnpike locations.

Having HMS Host and Sunoco contractors perform all the respective work associated with the Phase 2 Improvements will avoid conflicts and coordination issues with multiple contractors on site, including, but not limited to, parking area paving, curbing, utility relocations, security cameras and lighting, and environmental remediation. Therefore, it is within the Authority's interests to have this work performed by HMS Host and Sunoco contractors and, subject to verification of costs, reimburse HMS Host and Sunoco, respectively, for all costs incurred for work that is otherwise the Authority's responsibility under the existing HMS Host and Sunoco Agreements. The Authority previously entered into a similar MOU covering reimbursement to HMS Host and Sunoco for Phase 1 Improvements at the November 2019 Board Meeting.

Phase 2 will authorize the Executive Director to enter into a Memorandum of Understanding (MOU) memorializing the foregoing and permitting reimbursement to HMS Host and Sunoco for completing that portion of the Phase 2 improvements that are the Authority's responsibility, in an amount not to exceed \$26,000,000 and \$4,000,000, respectively. The existing HMS Host and Sunoco agreements will be subsequently amended to incorporate the MOU.

062-02-2020

In a memorandum dated February 25, 2020, **Resolution Authorizing Public Hearings Pursuant to N.J.S.A. 27:23-5.10 and 5.11 in connection with a proposed Capital Program and Supporting Revenue Enhancement on the New Jersey Turnpike and Garden State Parkway**, was approved.

As you know, the New Jersey Turnpike Authority has provided the highest quality transportation services to its patrons for nearly 70 years. The Turnpike is a critical link in the State of New Jersey's integrated transportation network. As you also know, the Authority has completed a \$7 Billion dollars capital program to ensure that Authority roadways remain a safe and reliable component of the State transportation system.

Nevertheless, more work remains to be done in order to continue to provide the motoring public with the highest level of service. At present, just \$400 million dollars are currently available over the next five years to tackle important capital projects that enhance roadway safety, relieve roadway congestion and improve access onto and off the Turnpike and Parkway.

Accordingly, authorization is requested to permit staff to hold public hearings in accordance with N.J.S.A. 27:23-5.10 and 5.11, determine an appropriate capital plan, and explore funding to support those capital projects deemed necessary and important to the continued safety and reliability of Authority roadways and the critical part they play in the State's integrated transportation system.

Therefore, a resolution authorizing a total of three (3) hearings with one each to be held in Northern, Central and Southern New Jersey over the course of March 18 and March 19, 2020, is on the agenda for your consideration and approval to allow staff to begin the public hearing process.

032851

RESOLUTION AUTHORIZING PUBLIC HEARINGS PURSUANT TO N.J.S.A. 27:23-5.10 AND 5.11 IN CONNECTION WITH A PROPOSED CAPITAL PROGRAM AND SUPPORTING REVENUE ENHANCEMENT ON THE NEW JERSEY TURNPIKE AND GARDEN STATE PARKWAY

WHEREAS, the State of New Jersey (the “State”) is a regional transportation corridor connecting the Washington and Boston megalopolis; and

WHEREAS, the New Jersey Turnpike (“Turnpike”) and Garden State Parkway (“Parkway”), as well as State highways, local roadways and rail service, are all part of the State’s integrated transportation system (the “Transportation System”) that moves people and goods through the State; and

WHEREAS, each component of the Transportation System is interdependent because a failure in one component of the system has the potential to overburden another where, for example, the motoring public substitutes local roadways as a result of all-too predictable congestion along the Parkway, or because of unpredictable rail services; and

WHEREAS, investing in improvements to the Transportation System that relieve roadway congestion, reducing vehicle idling time, or that instill confidence in the reliability of mass transit, encouraging its use, advances the State’s environmental efforts to reduce greenhouse emissions; and

WHEREAS, improvements to the Turnpike, Parkway and other State roadways within the Transportation System will increasingly inure to the benefit of electric vehicles, whose use is expected to increase and become a viable alternative to traditionally-powered vehicles as a result of recent environmentally-friendly legislation that mandates electric vehicle charging stations along the Turnpike and Parkway, some of which are already in use, and other State roadways, and that provides incentives for the purchase or lease of electric vehicles; and

WHEREAS, capital projects that enhance roadway safety, relieve roadway congestion and improve access onto and off the Turnpike and Parkway through new or reconfigured interchanges connecting to other components of the Transportation System will contribute to the overall reliability and viability and of the System; and

WHEREAS, the Executive Director has advised of the Authority’s need to pursue certain of those capital projects; and

WHEREAS, the Authority must affirmatively certify that its projected revenues will meet the debt coverage ratios in its existing bond covenants; and

WHEREAS, the Executive Director proposes adjustments to the rate schedules for the Turnpike and Parkway to meet these needs; and

WHEREAS, pursuant to N.J.S.A. 27:23-5.10, the Authority may adjust existing rates or establish any new rate for the use of any highway project (as defined in N.J.S.A. 27:23-4), upon the holding of a public hearing on such proposed rates at least 45 days prior to the date on which

such rate is proposed to become effective; and

WHEREAS, the Authority desires to hold public hearings for the purpose of proposing a new rate schedule for the use of its highway projects, specifically, the New Jersey Turnpike and the Garden State Parkway,

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. Three separate public hearings on proposed rates for use of the Turnpike and Parkway are hereby authorized to be held in Northern, Central and Southern New Jersey, respectively, on March 18, 2020 and March 19, 2020, at locations and at times to be determined by an authorized officer of the Authority.

2. An authorized officer of the Authority is hereby directed to cause notice of such public hearings to be published at least 10 days prior to such hearings in at least 10 newspapers with a daily circulation in the State of New Jersey.

3. This resolution shall take effect in accordance with the provisions of Section 3(F) of Chapter 454 of the Laws of New Jersey of 1948, as amended (N.J.S.A. 27:23-1 et seq.).

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EXECUTIVE DIRECTOR COMMENTS

Executive Director Keller noted the Authority recently completed the ten-year, seven billion dollar capital program. Keller advised this year, the Authority will award virtually all of the 500 million in the 2019 capital program. Further, this capital spending helps ensure that the Turnpike and Parkway remain safe and reliable components of the State transportation system. Keller added the Authority recently adopted a Strategic Plan that covers the years 2020 to 2029 and that plan identifies additional capital projects that will need to be completed in order to continue providing the public with the high level of services they deserve.

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CHAIR COMMENTS

Chair Gutierrez-Scaccetti commented that on Agenda Item 61, once the Authority finishes the Memorandum of Understanding with Host please report back to the Board on the final numbers on what the Phase 2 budget is for the Turnpike. Chair Gutierrez-Scaccetti shared the vision for Agenda Item 62 on the Resolution for the Public Hearing in connection with a Proposed Capital Program and Supporting Revenue Enhancement for what the Turnpike needs to do, but given the ongoing discussion over the last 2 days regarding NJ Transits relationship with the Turnpike Authority, asked that during the public hearing process the Authority examine closely what the Authority's ability is to support NJ Transit on a going forward basis. Executive Director Keller acknowledged Chair Gutierrez-Scaccetti's comments.

On motion by Commissioner Minella and seconded by Treasurer DuPont the Board unanimously approved item numbers 060-02-2020 through 062-02-2020; and authorized or ratified, as presented, the recommendations contained therein; and received and filed the

032853

memoranda.

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ROLL CALL

GUTIERREZ- SCACCETTI	DIAZ	DuPONT	POCINO	GRAVINO	MINELLA	SALERMO
YES	YES	YES	Absent	YES	YES	YES

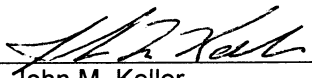
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The motion to adjourn was made by Treasurer DuPont and seconded by Vice Chair Diaz, and, after the voice vote, the motion was duly adopted. The Board of Commissioners adjourned the meeting at 11:51 a.m., and advised that it will meet again on Tuesday, March 24, 2020 at 9:00 a.m., at the Authority's headquarters building located at 1 Turnpike Plaza in Woodbridge, New Jersey.

ATTEST:



Kim Schurman
Secretary to the Authority



John M. Keller
Executive Director

Date: February 25, 2020